India's Maoist war

Instead of removing poverty, the establishment seems to have decided to remove the poor

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Things are happening so late in India. This I say from the Nepali perspective. The dominating Indian political discourses in the past several days have been increasingly sounding like the ones we used to have at the beginning of the current decade. The government here has decided to combat the spreading Maoist insurgency putting the prospects of talks on the backburner, and the deliberations have been all about that. These debates, mainly taking place in the most influential, city-centric and English language media, are heavily tilted towards the hawkish government stand. "These terrorists," shouted one network editor the other evening, "must be neutralized. How can a government talk with killers?"

There are some reasons for the editor be to so arrogant and one sided. First, his TV network, like many other influential urban media outlets and commentators, is primarily based in the cities that are far from the villages where the Maoists are waging war. He doesn't care about the villagers because his targeted audiences live in the cities. The cities and their inhabitants are comparatively prosperous than those in the villages who live in abject poverty. Those who are running the government, to put it bluntly, aren't "poor" enough to understand the pains of poverty in the villages. Or they came out of poverty too long ago to remember the pains of living in deprivation. The comfort of air-conditioned city life (which includes grand government office buildings and residential quarters) doesn't allow them to get a sense of the harsh realities of the villages sans electricity, health posts, schools with enough and qualified teachers and road links.

In rhetoric, however, the government intends to use development as the weapon to fight the Maoists. Prime Minister Man Mohan Singh told a high-profile gathering in New Delhi the other day that his government sought to have "inclusive development and transformation of the rural economy". He is, after all, running a government that wants to achieve "9 to 10 percent annual [economic] growth" and wants to eliminate the Maoist insurgency branding it "the single biggest threat to internal security in India".

India, undoubtedly, is a rising economic power; and the feeling that the country is on the path to becoming a world player brilliantly resonates with the dreams and aspirations of the urban, suave and wealthy city dwellers and elite. They are full of lofty ambitions and grandness in life. For them, organizing extravagant and expensive events like the 2010 Commonwealth Games that New Delhi is hosting next year are the logical next step in their way towards portraying India (and themselves) as a global powerhouse (and its owners). For them, the success of such huge events becomes a prestige issue and reason for self-satisfaction. But people in rural Jharkhand and West Bengal, who are really struggling to have the basic needs, do not really care about such success. It's a game for, by and of the urban affluent as long as their lifestyle is not improved, they feel. They can't associate with such extravaganzas just as the elite of Delhi and Mumbai can't associate themselves with a short supply of things. Some people in the corridors of power still argue along that line, but they are a waning lot. One of them, for example, is Mani Shankar Aiyar, a member in the previous cabinet of Singh.

In a thought-provoking speech at a Confederation of Indian Industries meet in April 2007, a website reported, Aiyar argued that policy is hijacked by a small elite. That the cabinet he belongs to is quite comfortable with this hijacking. That India's system of governance is such that Rs. 650 crore for village development is considered wasteful, but Rs. 7,000 crore for the Commonwealth Games is considered vital. The classes rule all the time, Aiyar said, the masses get a look-in every five years.

"It is a sustainable economic proposition, because our numbers are so vast, that there are perhaps 10 million Indians who are just as rich as the richest equivalent segment anywhere in the world or in any group of countries," said Aiyar. "There are about 50 million Indians who really are extraordinarily well off. That's the population of the U.K."

But, he said, if 700 million Indians who are either not in the market or barely in the market are considered for the evaluation of economic reform process, then the impact makes virtually no difference to their lives. "So when you talk of a 9.2 percent growth rate, it becomes a statistical abstraction: 0.2 percent of our people are growing at 9.92 percent per annum. But there is a very large number, I don't know how many, whose growth rate is perhaps down to 0.2 percent."

The last time I heard Aiyar was three days ago, and he was still speaking against the "obscene expenditure" for the games while India is facing challenges in healthcare and education.

Amidst all this debate that has been kindled by the recent incident involving the stopping of an upper class Rajdhani Express train in West Bengal by a group of tribals, the government is launching an offensive against the rebels. Instead of eradicating poverty, the current Indian establishment has, it seems, decided to eradicate the poor from society. Only those who have gone through the experience of living in a crossfire know how it feels to be in such a situation. Those who are advocating a tough stand with the language of the gun are doing so, as stated earlier, from the comfort of air-conditioned rooms. They will not feel the pain suffered by the villagers, and those policemen who fight the rebels. For them, it's largely a fight among faceless villagers, rebels and policemen. The latter's victory will serve their interest and fulfill their ego. The body count has begun.

Trading with Kim

SUSAN SHIRK, JOHN DELURY

The North Koreans have landed. Officials from Pyongyang are shuttling between "track two" dialogues in San Diego and New York this week. After inviting a new set of U.N. Security Council sanctions by conducting a second nuclear and multiple missile tests, Kim Jong Il wants to talk. U.S. President Barack Obama's administration is inching closer toward direct dialogue with Pyongyang, with the caveats that bilateral engagement must be accompanied by a resumption of the multilateral process (the six-party talks) and that denuclearization remains the only acceptable outcome to negotiations.

If sanctions got the parties to the table, however, they will not solve the North Korean conundrum in the long run. Even many strong supporters of sanctions in Washington know this, which accounts for the cloud of pessimism that has descended over most discussions on North Korea.

There is, however, a way forward: economic engagement. A recent task force convened by the Asia Society and the University of California's Institute on Global Conflict and Cooperation, on which we served, concludes that economic engagement offers the best chance for gradually moderating North Korea's intentions and behavior.

North Korea's confrontational posture toward foreign countries is closely related to the underlying structure of its closed, command economy, which favors the military and heavy industry and has avoided the wave of sweeping economic and political changes that has transformed the rest of Asia in recent years. Encouraging a more open, market-friendly economic growth strategy certainly would benefit the long-suffering North Koreans. And it would generate vested interests in continued reform and opening, as well as a less confrontational foreign policy. An open North Korea would be more cautious about provoking its trading partner neighbors and would look for ways to strengthen its ties to South Korea to realize the economic synergies that lie dormant due to the division of the peninsula. Economic engagement, in short, has the potential to change North Korea's perception of its own self-interest.

But how realistic is the possibility of real economic change inside North Korea? Although Pyongyang may look impervious to anything like market reform, the country has a history of economic experimentation, albeit tentative. In the early part of this decade, the country tried profit retention by firms, material incentives, special economic zones, and joint ventures. Kim Jong Il traveled to China three times, once bringing along his generals, to study his neighbor's very successful economic model. North Korean reforms in that period ultimately failed because poorly designed policies caused runaway inflation, and since 2005 there has been an attempt to roll them back.

Yet in spite of current efforts by the state to restore control over the economy, a growing body of evidence suggests that a transition is underway from the ground up. People have been driven to the market by the necessity of feeding their families since the mid-1990s' famine, when the government's food distribution ceased providing even the means of subsistence. And particularly in the northern part of the country, trade and investment from a booming China have stimulated commerce. U.S. policymakers should look for ways to nourish this grass-roots transformation by exposing North Koreans to the world beyond their borders and training them with the knowledge and skills needed to build a successful market economy.

The way to Kim Jong Il's heart is through his market

The first steps in a process of economic engagement should be modest and introduced regardless of the state of play in the nuclear negotiations. These carry no risk of enhancing Pyongyang's military capabilities or making the United States and its allies more vulnerable to them. To the contrary, they could catalyze gradual shifts in the North Korean system that are very much in U.S. interests. Track two dialogues, such as those taking place this week, are a good place to start. The United States could also encourage universities, research institutes, and NGOs to initiate and expand training and economic development projects with North Koreans. The government should loosen its visa policy to facilitate opportunities for North Koreans to have greater contact with outsiders, and vice versa.

The Obama administration could also give the green light to efforts by the Asian Development Bank, the International Monetary Fund, and the World Bank to engage North Korea in initial consultations and technical discussions. The data collection and economic analysis in preparation for membership in these international financial institutions would take years, all the while providing North Koreans with essential training in how to chart their country's economic transition. Discussions would make clear, of course, that the final step of membership will depend on North Korea's decision to abandon its nuclear program.

None of this will make for easy politics — in Pyongyang or in Washington. There will be intense resistance from groups within North Korea, particularly the military, whose privileges would be threatened by market reform and opening, as well as the so-called "court economy" that fosters regime loyalty through patronage. In the United States, critics will charge that engaging North Korea economically simply rewards bad behavior and that complete denuclearization has to come first.

The U.S. government is investing a great deal of political capital and creativity into an enhanced sanctions regime to contain North Korea's nuclear weapons capability. It should also now start to make a long-term investment in the gradual transformation of North Korea's economy and, by extension, that country's posture toward the United States and its neighbors in Asia. Done right, the two could be complementary. It's a formula that the administration advocates for states from Iran and Burma to Sudan and Cuba. It's time to extend it to North Korea.

(Susan Shirk is director of the University of California Institute on Global Conflict and Cooperation. She participated in this weeks Track Two diplomacy talks.John Delury is associate director of Asia Society's Center on U.S.-China Relations and adjunct assistant professor at Columbia University. They are the co-chair and project director, respectively, of the task force "North Korea Inside Out: The Case for Economic Engagement.")

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letters to **the editor**

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Unruly politics

Nepali politics, following the unconstitutional move of President Dr. Ram Baran Yadav to reinstate the then Chief of Army Staff Rookmangud Katawal, is on a collision course with the Maoists' announcement of their nationwide protests starting Nov. 1 **("Maoists unveil protest plan," Dec. 28, Page 1)**. But as yet there is no sign of any political breakthrough. It's hard to envision what will happen if the Maoists up the ante. The political parties must not forget that the people elected them to the Constituent Assembly (CA) in order to write the new constitution, not to fight among themselves. If they fail to understand this simple fact, they will also go the way of former king Gyanendra. It is about time the political parties gave up their rigid stands and went about making the new constitution on time.

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Food security

With its population growing by the day, food security is proving to be a big challenge for Nepal ("**Things to do," Oct. 30, Page 7**). Nepal has an enormous possibility in production of cereals, lentils and other crops, but minimal technical expertise. Scant research and attention into food security has resulted in the controversy surrounding WFP food distribution and greatly aggravated health crisis like diarrhoea and malnutrition.

At the same time, climate change is posing as another big impediment to ensuring food sovereignty. The government must commit to mitigating the ill effects of climate change on Nepal's food production capability through awareness programmes and sustainable utilisation of its scant resources. Better utilisation of food technology and production of capable manpower in the field of agriculture is the way to go about meeting the increasing demand for food in the future.

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Tainted food

The National Human Rights Commission (NHRC) has done a commendable job of investigating the causes behind the loss of innocent lives in far-western Nepal ("**Rotten food behind diarrhoea deaths," Oct. 29, Page 1**). The government should not take light the NHRC report, which clearly spells out the World Food Programme (WFP) and some other donors as guilty of distributing contaminated and low quality food. Moreover, WFP involvement makes this an international issue. Thus, ideally, some internally-accredited body should look into it independently. As WFP is working in many poor countries around the world, what happened in Nepal might also be repeated elsewhere. This incident offers an added lesson for Nepal: no foreign donor, however big, should be blindly trusted.

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It is ironic that the WFP-distributed food items were one of main causes of diarrhoea in the far-west, significantly undermining the UN body's credentials. Is it not the duty of the government to supervise and monitor the international organisations working in its land? NHRC has now discovered some of the food distributed by WFP to be substandard. There is no reason some other international donor hasn't been distributing substandard medicine or some other inferior goods in Nepali hinterlands. The WFP episode is a case of blatant dereliction of government responsibility towards its people. No one should be allowed to play with the lives of poor and illiterate Nepalis.

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Correction

The information regarding the electricity generation during the Panchayat regime was supposed to be almost seven tenth of the total generation instead of what was inadvertently printed **("The Karnali batch," Oct. 30, Page 6).** The author regrets the mistake.

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By email